

ORIGINAL

214563

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BY HAND

August 19, 2005

Hon. Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street
Washington, D.C. 20423-0001

RE: FD No. 34745, Penn Eastern Railways, Inc.
-Operation Exemption-Expressway 95 Industrial Park

Dear Mr. Williams:

On behalf of Penn Eastern Railways, Inc. ("Penn Eastern"), I am filing an original and ten copies of a verified notice of exemption under 49 CFR 1150.41 for Penn Eastern's operation of a rail line located in the Expressway 95 Industrial Park in Bensalem, Bucks County, PA.

I am also enclosing a check payable to the Board for \$1,500 to cover the applicable filing fee and a computer disk formatted in MS Word containing this filing.

Please date stamp and return one copy of this filing.

Sincerely yours,


John D. Heffner

Enclosures

cc: Mr. John Nolan

FILED

AUG 19 2005

SURFACE
TRANSPORTATION BOARD

ENTERED
Office of Proceedings

AUG 19 2005

Part of
Public Record

ORIGINAL

BEFORE THE
SURFACE TRANSPORTATION BOARD



STB Finance Docket No. 34745

ENTERED
Office of Proceedings

AUG 19 2005

Part of
Public Record

PENN EASTERN RAILWAYS, INC.
—OPERATION EXEMPTION—
EXPRESSWAY 95 INDUSTRIAL PARK

VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 U.S.C. 10902 AND 49 CFR 1150.41

Respectfully submitted,

FILED

AUG 19 2005

SURFACE
TRANSPORTATION BOARD

John D. Heffner
John D. Heffner, PLLC
1920 N Street, N.W.
Suite 800
Washington, D.C. 20036
(202) 263-4180
Counsel For Penn Eastern
Railways, Inc.

Dated: August 19, 2005

BEFORE THE
SURFACE TRANSPORTATION BOARD

STB Finance Docket No. 34745

PENN EASTERN RAILWAYS, INC.
—OPERATION EXEMPTION—
EXPRESSWAY 95 INDUSTRIAL PARK

VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 U.S.C. 10902 AND 49 CFR 1150.41

NOTICE OF OPERATION OF RAIL LINE
INFORMATION REQUIRED BY 49 CFR 1150.43

Name and address of applicant

49 CFR 1150.43(a)

Penn Eastern Railways, Inc.
1973 Wellington Drive
Suite One
Langhorne, PA 19047
Tel. 215-757-4002

Applicant's representative

49 CFR 1150.43(b)

John D. Heffner
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Suite 800
Washington, D.C. 20036
Tel. 202-263-4180

Statement that an agreement has been reached 49 CFR 1150.43(c)

Penn Eastern Railways, Inc. (Penn Eastern) will initiate
common carrier operations over a series of railroad easements

inside a rail served industrial park called the Expressway 95 Industrial Park (the Park) in Bensalem, Bucks County, PA.

Operator of the property

49 CFR 1150.43(d)

In all cases anticipated by this Notice, and as described in the transaction summary below, Penn Eastern will hold itself out to provide common carrier rail freight service over the subject rail line.

Brief summary of the proposed transaction

49 CFR 1150.43(e)

Penn Eastern, an existing class III rail carrier, proposes to initiate common carrier rail service over approximately 1.15 miles of track and right of way in the Park in Bensalem, Bucks County, PA. The deeds for the 21 parties owning property inside the Park grant a railroad operating easement to any railroad company licensed as a public carrier. The subject trackage, which Penn Eastern will operate as its "Bensalem Branch," is located along the east side of Amtrak's Northeast Corridor (NEC) at ATK MP 70.2, located between Philadelphia and Trenton, NJ. Consolidated Rail Corporation (Conrail) formerly operated this track as exempt industrial trackage under 49 U.S.C. 10906 until the last customer stopped using rail in 2002. The track connects with portions of the NEC over which Conrail currently has operating rights. Penn Eastern has met with Conrail

officials to discuss this project. It does not anticipate any objections to this transaction from either Conrail or its two owners, CSX Transportation or Norfolk Southern Railway Company.

The line will initially serve three customers within the Park; however, Penn Eastern eventually expects to attract additional customers. The commodities that the line will handle include newsprint, lumber, canned goods, flour, and sugar. Service will begin on August 26, 2005, seven days after this notice is filed.

The transaction qualifies for a class exemption under 49 CFR 1150.41 et seq. because it involves the operation of a rail line by an existing class III short line rail carrier.

Map indicating the area to be served

49 CFR 1150.43(f)

A map depicting the line to be operated is attached as Exhibit A.

Certificate of carrier classification

49 CFR 1150.43(g)

Penn Eastern hereby certifies that, with this transaction, its projected annual revenues will not exceed \$5,000,000 annually. A certificate complying with the provisions of 49 CFR 1150.43(g) is attached hereto as Exhibit B.

Labor protection

Under 49 U.S.C. 10902, the imposition of labor protective conditions is not authorized for a class III carrier seeking authority to operate over an additional or extended rail line, therefore, none should be imposed on this transaction.

Caption summary

49 CFR 1150.44

A caption summary in the prescribed form is attached as Exhibit C to this Notice.

Environmental and Historic Preservation Data

49 CFR 1105

Pursuant to 49 CFR 1105.6(c)(2), the proposed transaction is exempt from environmental review under 49 CFR 1105(c)(2)(i) because the actions proposed herein will not cause any operating changes that exceed the thresholds established in 1105.7(e)(4) or (5).

In addition, this transaction does not require historic review because it is not a transaction that is listed in 49 CFR 1105.6(a) or (b). Further Board approval is required for the parties to abandon service, and there are no plans to dispose of or alter the properties subject to Board approval.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "J.D. Heffner", is written over a horizontal line.

John D. Heffner
John D. Heffner, PLLC
1920 N Street, N.W.
Suite 800
Washington, D.C. 20036
(202) 263-4180

Attorney for Penn
Eastern Railways, Inc.

Dated: August 19, 2005



CERTIFICATION

I, John Nolan, an officer of Penn Eastern Railways, Inc. ("PRL")
Hereby certify under penalty of perjury that the projected annual revenues of PRL,
in the aggregate, will not exceed \$5,000,000, and that PRL will be a Class III rail
carrier as set forth at 49 CFR 1201 (1-1) (a). Further, I certify that I am
qualified and authorized to make this certification on behalf of PRL.

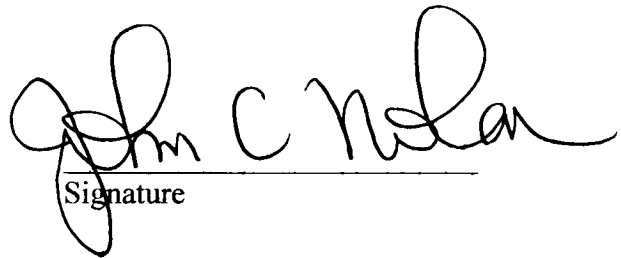

Signature

EXHIBIT C

BEFORE THE
SURFACE TRANSPORTATION BOARD

STB Finance Docket No. 34745

PENN EASTERN RAILWAYS, INC.
—OPERATION EXEMPTION—
EXPRESSWAY 95 INDUSTRIAL PARK

VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 U.S.C. 10902 AND 49 CFR 1150.41

NOTICE OF OPERATION OF RAIL LINE

Penn Eastern Railways, Inc. (Penn Eastern) has filed a notice of exemption to operate approximately 1.15 miles of track and right of way on easements over and located at the Expressway 95 Industrial Park (the Park) in Bensalem, Bucks County, PA. The track to be operated as Penn Eastern's Bensalem Branch is located along the east side of Amtrak's Northeast Corridor (NEC) at ATK MP 70.2, between Philadelphia and Trenton, NJ.

Penn Eastern will begin operations on August 26, 2005.

This notice is filed under 1150.41. If the notice contains false or misleading information, the exemption is void *ab initio*. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 34745 must be filed with the Surface Transportation Board, Office of the Secretary, Case Control Branch, 1925 K Street, N.W., Washington, D.C. 20423-0001. In addition, a copy of each pleading must be served upon:

For Penn Eastern:

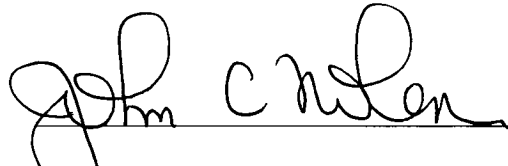
John D. Heffner
John D. Heffner, PLLC
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Suite 800
Washington, D.C. 20036
(202) 263-4180

Vernon A. Williams
Secretary

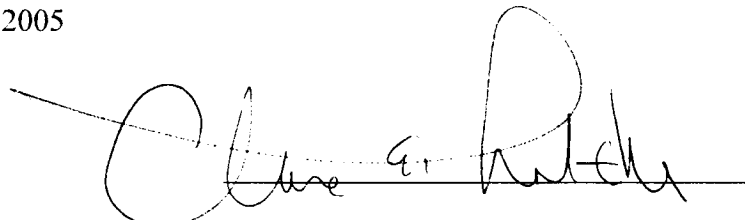
VERIFICATION

STATE OF PA
CITY OF Bucks SS

JOHN C NOLAN, being duly sworn according to law,
hereby deposes and states that (s)he is authorized to make the Verification,
has read the foregoing document, and knows the facts asserted therein are true
and accurate as stated, to the best of (her) his knowledge, information and belief.


John C. Nolan

Subscribed and sworn to before me, a Notary Public, in and for the City (County)
of Bucks in the State of PA, this 18
day of August 2005


Notary Public

